HUMAN EVENTS

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Stassen Rides Again: Harold Stassen has obtained a $1 million slush fund to back his fight for the Governorship of Pennsylvania, has rolled up his sleeves for a long up-hill battle and — say observers — may wreck the GOP in the Keystone State. He reportedly thinks he is on his way to capturing the whole party.

The money comes from elements in the "Citizens for Eisenhower" organization, which was founded to help Ike in 1952; still other elements from New York have thrown their weight into the battle to nominate and elect Harold over the opposition of the Republican party organization in Pennsylvania.

Those in the know claim that some of this support comes from Arthur Goldsmith, perennial backer of internationalist causes, whom Westbrook Pegler once called "the spook in the Waldorf" (because of his technique of creating "letterhead" groups and his residence in that New York hotel).

In fact, those who have studied this "wreck-the-GOP" effort believe that it shapes up as a bigger operation than Harold's abortive 1956 attempt to get the Vice Presidential nomination away from Nixon. Some of Stassen's backers then — such as Amos Peaslee—reportedly have fallen away. Others, like Goldsmith, have suddenly materialized. If Childe Harold can continue to rally such figures as Goldsmith to his standard, the developing scrap could well prove noisier and more sensational than Stassen's frustrated crusade against Nixon.

What Happened In Canada: The astonishing victory of Conservative leader John Diefenbaker and the crushing defeat of Liberal leader Lester Pearson was not a "conservative" victory; it was the outcome of a successful anti-Communist uprising.

The significant "pay off" was what happened in Quebec. Never before was the Liberal party — from time immemorial the master of this overwhelmingly French-Canadian province — overturned in this area. The Conservatives won 50 seats in Quebec, in contrast to the seven they won in the last general election in June, 1957.

Since that last election, Pearson, "one worlder" and "softie on communism," has been leader of the Liberal party. The defeat was a repudiation of Pearson and his attitudes by the strongly Catholic French Canadians; the fact that Quebec Province's Liberal Premier Duplessis actually swung his influence to Diefenbaker was the tip off which should have warned Canadian correspondents of American papers.

Reached on the phone by HUMAN EVENTS, informed Canadians in Montreal told this publication that "The French Catholic repugnance towards Liberal leader Pearson was the biggest factor in Diefenbaker's success."

Pearson earned his bad reputation among French Canadians by his creation of an international incident over the suicide of Canadian envoy to Egypt E. Herbert Norman, just a year ago this month; Norman had many Communist associations and was reportedly on deck for a thorough investigation when he killed himself. Pearson then "did an Acheson," refused to "turn his back on Norman" and violently assailed the US Senate subcommittee which brought out the facts about Norman's associations.

As for last week's lopsided election results: "The Catholics did it," say our sources in Canada. Whether Diefenbaker understands what happened in this respect, add the Canadian sources, remains uncertain.

Reds Winning Sumatra: Oil-and-rubber rich Indonesia seems likely to remain in the clutches of the pro-Red Government of Moscow-trained President Sukarno. If this happens, Americans will want to know why the US should have suffered such an ignoble defeat — one of the biggest since the fall of China — in the cold war with Soviet Russia.

The facts, as relayed to us by highly placed informants, are as follows: yes, we have sent arms to the anti-Communist rebels. We sent them in the guise of assistance from Chiang Kai-shek, in Formosan ships. But not much was sent.

In contrast, Soviet Russia has openly and under her own flag sent military assistance — fifteen shiploads of it — to Sukarno (two years ago feted by official Washington on his visit here). The Soviet help greatly exceeds the American. Verdict of the pessimists: too little, too late.

Summit Again: Despite the widespread unpopularity of proposals for a Summit meeting between Ike and Khrushchev, even among hitherto weak-kneed American newspapers, the White House Palace

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Guard continues to connive at steps leading to such a parley.

During the past week, the Guard has exerted extraordinary pressure on Secretary of State Dulles to force a compromise of his stand against such a meeting. Specifically — according to private advices to HUMAN EVENTS — they want him to back down on the unification of Germany. So far, say our informants, Dulles remains firm and unperturbed.

The pressure, it is claimed, comes from Paul Hoffman and Milton Eisenhower, of the "kitchen cabinet," whose directives control Assistant President Sherman Adams and his aides. All reports indicate, however, that the Dulles - Nixon axis continues to function — a fact all the more important because the Vice President is the preponderant figure in the powerful National Security Council.

Meanwhile, the "kitchen cabinet" tries to promote a scheme whereby either Nixon or Milton Eisenhower, or both, would go to Moscow to see Khrushchev, paving the way for a Summit gathering. Nixon "nixes" this suggestion, it is said, but Brother Milton is not unwilling.

Disgrace Abounding: "There's enough here to hang Reuther — if it could ever be conveyed to the public." Such is the judgment rendered on the record of Walter Reuther's three-day exercise in demagoguery before the McClellan Committee last week. The left-wing press — say those who attended the hearings and studied the transcripts — although obviously somewhat aghast and embarrassed at Reuther's wild performance, merely skimmed off his choicer insults for publication, leaving the cold record untouched. Thus the labor boss' struggle to divert attention from his union's record of violence and lawlessness, and his own politicking with union dues, was in considerable part successful.

Reuther forgot, however, that he will ultimately be judged on the evidence of the transcript, and not on the riotous headlines of the moment. "Anyone who reads this shocking record of clumsy distortion and attempts at evasion, conducted on the intellectual level of a guilty child," commented Congressman Clare Hoffman (R.-Mich.), "cannot doubt that Walter Reuther has abdicated his last claim to be a responsible leader of American labor."

"Reuther for 20 years," Hoffman added, "has consistently condoned violence."

(For the whole truth about the Kohler hearings, watch for a full-length HUMAN EVENTS article, in an early issue, by veteran newspaperman William Moore, who covered the proceedings for the Chicago *Tribune*.)

● Those who follow the McClellan hearings closely say that the decision to cut off investigation of the UAW's strike at the Perfect Circle Company in Indiana was "disastrous." These sources believe that facts even more startling than those produced at the Kohler investigation would have been forthcoming from a thorough inquiry into the Perfect Circle strike, and they beam heated criticisms at the Committee leadership and Counsel Kennedy for failing to develop this information. Contrary to erroneous "liberal" reports, the Perfect Circle management was ready and willing to appear and tell its story. Members of the HUMAN EVENTS staff are delving into the Perfect Circle strike, and the hitherto obscured facts about this episode will appear in these columns at an early date.

● Further reflection upon the UAW's descent into irresponsibility was supplied by the comment of a Methodist Minister in Sheboygan, Wis. — inserted into the *Congressional Record* last week by Senator Carl Curtis (R.-Neb.). After disclosure of the vilification of Sheboygan clergy indulged in by UAW secretary-treasurer Emil Mazey (see HUMAN EVENTS for March 10, 1958), Mazey attempted to smooth things over with an apology. He received this answer from the Reverend T. Perry Jones:

"Your telegram of apology for your irresponsible reference to the clergy of Sheboygan County arrived too late to be of any consequence. In fact, it is two years too late. The UAW-CIO, through its strike bulletins, and your intemperate statements in public speeches in Sheboygan, vilified the clergy for one reason only.

"We were expected to support every word and every technique used by the union. When the clergy turned away from this snide invitation to be spokesmen for the union, then we were accused of being spokesmen for the Kohler Co.

"Obviously, your greatest insult is to assume that the clergy of Sheboygan County are so lacking in self-respect that they would be stooges for the Kohler Co. or any other group in the community. Whatever faults you may recognize in the Kohler Co., the clergy of this county can assure you that Kohler Co. officials have never tried to influence the churches. . .

"Because we did not follow the leadership of the union we were castigated for months in the daily strike bulletin and by inference we were accused of cowardice. I do not recall that you came to our defense during this period of intimidation."

As Maine Goes: In the glimmering spectrum of Republican chances in the November elections, the situation in the state of Maine offers the brightest prospect. This, in itself, rates as news. For, since 1954, a surprising Democratic tide has been running in the Pine Tree State. Democrat Edmund S. Muskie won the Governorship that year, the first Democrat to do so since the early Thirties. In 1956, the Republicans lost a House seat, another unexpected and rare

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event. Meanwhile, Muskie emerged as a "wonder boy," with much popularity outside his party.

But, in the past six months, times have changed. Muskie's star has begun to wane perceptibly. HUMAN EVENTS for March 17, 1958, reported Muskie's reputation as a "high tax" Governor and the attendant decline of his popularity. Muskie bowed out of the Governor's race, but has decided to run against incumbent Republican Senator Frederick Payne in next fall's election.

Now, Payne — hitherto regarded as having something less than an even chance — has begun to take on new stature. Breaking openly with Eisenhower on a number of policies, he has come forth as an independent Republican. And the GOP, whose splits enabled Muskie to win in 1954, has closed ranks behind its Senator.

The pattern is significant; fresh popularity for Republican candidates who announce their differences with the President seems increasingly to be the order of the day. If this independence (endorsed by GOP Congressional leader Richard Simpson some months ago) spreads, the prospects for Republican performance next fall will brighten.

Recession: Attracting considerable favorable comment in the Capital — amid the swirl of "bloodless statistics" thrown around by Keynesian economists attempting to diagnose the ills of the American economy — was the "spot check" of business conditions and sentiment conducted last week by *The New York Times*. "Almost everywhere," concluded the *Times* survey of small businessmen, "there is a strong optimism about the future of the economy."

The *Times* found sentiment in favor of tax revision, against Government pump priming. Small businessmen in Boston, it disclosed, "are sending a delegation to Washington on April 17 to ask Senate and House subcommittees for tax relief." A. Dudley Bach, a Boston executive, stated that "we had it [the recession] coming," and said that "big labor," by its demands, and "big business," by granting them, had helped to precipitate current difficulties.

Similarly, the Times *quoted a Dallas businessman: "I wouldn't want to see any more WPA, any more boondoggling. A substantial tax reduction would help more than anything else."*

The Coming Attack: The AFL-CIO's Committee on Political Education (COPE) is mobilizing in force for the 1958 congressional campaign. Its objective: to dislodge the last vestiges of resistance to labor's ascendancy to power, through the continued election of puppet "liberal" Democrats.

COPE Director Jack McDevitt has on the wall of his office, in AFL-CIO headquarters on Washington's 16th St., a map of the United States, marked with red and blue pins. The red pins indicate states in which COPE has marked incumbents, or their likely successors, for political extinction.

The 16 men whom COPE has thus singled out as targets: Senator Barry Goldwater (R.-Ariz.), Senator William F. Knowland (R.-Cal.), Senator William Purtell (R.-Conn.), Senator John Williams (R.-Del.), Senator Spessard Holland (D.-Fla.), Senator William E. Jenner (R.-Ind.), Senator Frederick G. Payne (R.-Me.), Senator J. Glenn Beall (R.-Md.), Senator Charles E. Potter (R.-Mich.), Senator Edward J. Thye (R.-Minn.), Senator George W. Malone (R.-Nev.), Senator John W. Bricker (R.-Ohio), Senator Edward Martin (R.-Pa.), Senator Chapman Revercomb (R.-W.Va.), Senator John Hoblitzell (R.-W.Va.) and Senator Frank Barrett (R.-Wyo.).

McDevitt denies that his map full of red pins represents a "purge list." But when asked by *Congressional Quarterly* why some so-called "anti-labor" candidates (such as Senators Hruska and Byrd) did not also have such pins to distinguish them, McDevitt answered:

"We're not going to waste our money in places where we have no chance. We need it for the states where we can do some good."

● For a disclosure of the methods by which McDevitt and his associates intend to go after the conservative candidates mentioned above — and for the story of what YOU can do about it — see "Men to Match My Mountains," by James M. Brewbaker, in the Article Section of this issue.

Cuban Revolt: Behind the unrest in Cuba and the support of the Cuban rebels by left-wing elements in America — say diplomatic analysts — lies a clear-cut conflict between communism and anti-communism.

It has been reliably reported that Fidel Castro, leader of the Cuban rebels, is an instrument of the Communists, with a long background of affiliations with the Reds. Former Ambassador Spruille Braden, once US emissary to Cuba, has stated:

"He [Castro] is a fellow traveller, if not a member of the Communist party, and has been so for a long time. He was a ring-leader in the bloody uprising in Bogota, Colombia, in April, 1948. The uprising was engineered and staged by Communists, and the Colombian Government and Colombian press subsequently published documentary evidence of Fidel Castro's role as a leader in the rioting which virtually gutted the Colombian capital.

"The appearance of this Cuban at the head of the recent uprising in his own country stamps the insurrection as another part of the developing pattern of Communist subversion throughout Latin America — although a number of thoroughly decent and patriotic Cubans have been misled into sympathizing with, and in some cases supporting the Castro movement." (See HUMAN EVENTS for August 17, 1957.)

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While the facts about Castro's pro-communism are not revealed to the American people, the story of the anti-communism of his enemy, President Batista, is kept equally obscure. How many Americans, it is asked, have had impressed upon them the outstanding anti-Communist steps taken by Batista? How many could recite such facts as the following, recalled last week by *Editorial Research Reports?*

"One of Batista's first acts after returning to power in his almost bloodless 77-minute coup of March 10, 1952, was to force a break in relations with Soviet Russia.

"It was Cuba which in November, 1956 sponsored the resolution adopted by the United Nations General Assembly holding Soviet Russia and its satellite Hungarian regime 'associated' with the crime of genocide.

"In 1952, Cuba joined the United States in a Mutual Defense Assistance Agreement. And Cuba stands at the flank of an 'American Mediterranean' whose proximity to continental US and the Panama Canal gives the island military and political significance that needs no elaboration."

Could it be these facts — ask Capital anti-Communists — which impel self-styled "liberals" to attack dictator Batista, while they simultaneously support dictators Nehru, Tito and Gomulka?

High Court: A knowledgeable Washingtonian who "gets around the town" relates an ironic story concerning today's "liberal" and allegedly democratic Supreme Court:

Entering the parking lot at the Washington airport to meet a visiting dignitary two weeks ago, our informant was addressed by the parking lot attendant. "That guy that drove in in front of you," said the attendant, "really had his nerve. He says to me, 'I'm a justice of the Supreme Court.' His car didn't have any official markings at all. When I ask if he has any identification, he says: 'I don't need any identification,' and drives on into the restricted area [reserved for VIP's]. And this is supposed to be America!"

Our informant concludes his story by saying that once inside, he heard the public address system requesting a familiar name to report to window three at one of the airlines; none other than the dean of Washington "liberals" — Justice Felix Frankfurter.

Book Event: The literary spotlight last week focussed on Dr. Edward Teller's book, *Our Nuclear Future* (Criterion Books; $3.50). The "father of the H-bomb," who recently aired some of the views contained in this volume in a television interview (see HUMAN EVENTS for March 17, 1958), has long been known for his refusal to cooperate with left-wing representations on the subject of atomic energy. In this book, written in collaboration with physicist Albert L. Latter, Teller makes three impressive points against current "liberal" propaganda on the subject of hydrogen weapons:

1) that nuclear tests so far have had no measurable effect on human life, and will not have any for the foreseeable future;

2) that a ban on nuclear tests is unworkable because there are means by which such tests may successfully be concealed;

3) that further tests are necessary in order to proceed with perfection of "clean" (limited fallout) weapons.

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Article Section *Printed in Two Sections*

If you think you are a conservative, either in business or in one of the professions, and believe:

- the $20 million-plus spent to elect Republicans (mostly for Eisenhower) in 1956 was well spent,
- the Government is not spending too much,
- taxes are not too high,
- this is no time to "stir up" the unions (business is good enough for you to "go along" with the next round of wage increases),

then you *won't* want to read this.

On the other hand, if you don't believe these things, but find yourself thinking:

- you are not going to throw away any more money on politicians after what's happened in Washington,
- Government spending must be reduced, but, at the same time, our effective military strength must be increased,
- taxes have got to come down if you are to stay in business,
- something has got to be done about the unions' political power even if your own union won't like it and may cause you trouble,

then read on, because you have a job to do — and you can't hire a lawyer or public relations expert, or anyone else, to do it for you.

MEN TO MATCH MY MOUNTAINS

A Blueprint for Business Political Action

By JAMES M. BREWBAKER

From the portico of the California State House:

"Bring me men to match my mountains
Bring me men to match my plains
Men with Empires in their purpose
And new eras in their brains."
— "The Coming American," by S. W. Foss

BUSINESS has failed, and failed miserably, to protect both itself and the country from the effects of union political action.

This failure results from an almost complete lack of business leadership. Business has been generous in its support of organizations and associations designed to combat labor's political power. There is no real lack of money or manpower. What business lacks is leaders: men with intelligence and courage, and above all, the *will* to climb the mountain named "The Business PAC."

Business needs dedicated men — a Walter Reuther or a John L. Lewis and men like the late Phil Murray — willing to do whatever it takes without fear of criticism, physical harm or the outside chance of prison.

Such leaders will have to be found among the men who now run the thousands upon thousands of *existing trade associations, chambers of commerce, and employer organizations,* national, state and local. There is no time to start any new political action organization, even if such an attempt were not doomed to failure. The intense competition between existing associations of businessmen is almost incredible, but the closing of ranks against any and all new organizations is even more so. A new automobile could be launched successfully with less effort.

In Congress, 216 Members of the House and 45 Senators voted a majority of the time last year in accordance with the policies of Americans for Democratic Action. ADA is a front organization for all left-wing pressure groups, but its success depends on labor's political power.

In 1947 the House passed the Taft-Hartley Act over the veto of President Truman by a vote of 331 to 83. The Senate vote was 68 to 25. That's how much Congress has changed.

There are thousands of equally discouraging examples. Few pieces of legislation pass today which are not completely satisfactory to the leaders of organized labor. Little of which these leaders disapprove has been enacted since the 83rd Congress adjourned in 1954.

Business associations today have no political influence whatsoever because most of them, like Caesar's wife, avoid even the suspicion of political activity. The lack of political influence means an equal lack of legislative influence. Union leaders understand this all too clearly: "One cannot draw a line between bargaining and politics. Bargaining is supplemented by legislation, and legislation is supplemented by bargaining."*

THERE are two chief reasons (or excuses) why business associations have failed politically and legislatively. Both are self-inflicted: 1) Association leaders maintain, almost to a man, that it is against the law for corporations to engage in political activities; or that, even if it isn't, they can't risk losing their tax exemptions. This belief results entirely from a misunderstanding of the law. (2) Association leaders are equally unanimous in saying that they personally wish they could do a political job, but that their members aren't interested — the job is too big, the problems are too many. A general "what's the use?" attitude prevails.

This lack of interest results from the widespread failure of association management to give its members the political and legislative facts of life. Let's look at the various aspects of these barriers to effective political action.

* Oral argument, Joseph L. Rauh, Jr., Counsel, United Automobile Workers, before US Supreme Court, December 4, 1956.

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I. *"It's Against the Law"*

An ex-president of a large trade association has said that "a very unfair and wholly unrealistic situation exists. It is very simple. Business organizations won't violate the law and labor organizations won't obey it."* And the President of a large Midwestern manufacturing company says: "Legal restrictions have been enforced against business institutions and not against unions."

The facts show how unjustified such business timidity is. No indictment has ever been brought against any business association for making a political expenditure in violation of the Federal Corrupt Practices Act. The last reported case involving a business organization or association was decided in 1916. It involved a money contribution, the only activity prohibited by the law until 1947.

The Act was expanded to prohibit political expenditures by corporations and extended to labor organizations in 1947. The Department of Justice has prosecuted four different unions for alleged violations. None have been convicted.

An exhaustive study of these four cases discloses that**:

"The Federal judiciary, in attempting to avoid an unconstitutional application of the statute, has so narrowed the definition of 'expenditures' that few, if any, activities usually regarded by laymen as political are prohibited.

"In effect, the 'crime' of political expenditures has been defined as involving (1) an expenditure from general funds, with (2) intent to reach the general public, and with (3) intent to influence the general public to vote for or against specific candidates or political parties.

"Having thus defined the crime, various decisions, court proceedings, oral presentations, jury instructions, *etc.,* in one way or another, suggest numerous loopholes."

Here are the most significant of these loopholes:

"(1) An expenditure from general funds loses its identity if a publication, for example, should be *offered for sale* separately. If the expenditure is approved in convention, the latest interpretation is that it may 'fairly' be termed 'voluntary,' and is therefore legal.

"(2) Labor organizations, business and professional associations and corporations may use any means of communication they desire to advise members, stockholders or customers of dangers or advantages from the adoption of particular measures, the election to office of men who agree with the views of the organization.

"Should such communications also reach the general public, it is not a violation unless it is proved that the organization intends to reach the public.

"(3) Only 'active electioneering' (such as 'Vote for Joe') is forbidden. Any organization subject to the Act may present the 'record' of any candidate or incumbent to its members, stockholders and customers, by means of regular publications, newspapers, magazines, paid advertising, radio and TV programs, *etc.* The organization may compare its views with those of the candidates. Its spokesmen may discuss these views with candidates on regular radio and TV shows, and through its publications.

"Should such comparisons or discussions also reach members of the general public, it is not a violation unless it can be proved that the organization intended to influence the public generally to vote for or against specific candidates or parties.

"Each and every one of these elements of the 'crime' of making political 'expenditures' must be proved to the satisfaction of a jury. It is difficult to see how the Department of Justice can possibly convict anyone under the law as it has been interpreted.

"Further, union attorneys argue that the Act, if applied to unions and to associations of businessmen, would be unconstitutional. *Not one Supreme Court Justice has disagreed.* The unions do imply that *profit-making* corporations might not be entitled to the same constitutional rights; but business associations, with no important exceptions, are all nonprofit educational institutions or business leagues; none of any consequence are organized for profit.

A Look at COPE

Labor organizations have smart, competent leaders, willing to take chances. Over the past eleven years they have evolved methods of operation which have been accepted by the Department of Justice. Here are some examples:

- "Voluntary" political contributions are used by the Committee on Political Education, AFL-CIO *only* for (1) direct contributions to candidates, and (2) salaries and expenses of the COPE staff for a brief period just before general elections.

- Political communications of all sorts, such as appeals for support of specific candidates, are *addressed to union members* and are paid for from general union funds.

- Material designed for union members *and* the general public is carefully classified as "educational" within COPE's own definition, and is paid for from general union funds, derived from members' dues — for example, voting records of members of Congress.

All other expenditures come from general union funds. These include housing (COPE is the largest department now operating from AFL-CIO headquarters, rent-free), salaries and expenses for staff for all but two months every other year, almost all printing, solicitation of the "voluntary" contributions, office supplies, travel, and all the other expenses of operating the national headquarters of a political party.

Conclusion: most activities usually regarded as political are not prohibited by any Federal law whatsoever.

II. *"We Would Lose Our Tax Exemption"*

How long would it be before a trade association would lose its tax exemption if it engaged in political action the way the unions do?

The Treasury Department has never issued or proposed a regulation on the subject. Should one ever be proposed, it would have to be patterned after the existing regulations defining the extent to which tax-exempt organizations may engage in *legislative activities — i.e.,* lobbying.

Legislative activities may not constitute a major activity, but must be incidental. This restriction, however, does *not* apply to *political activities — i.e.,* efforts aimed at achieving election of legislators in sympathy with the organization's beliefs.

* This quotation and others to be found throughout are taken from correspondence received by Congressman Ralph W. Gwinn (R.-N.Y.), and are used with his permission.

** The author has available a legal memorandum from which these conclusions are quoted. Copies are available for $2 (to cover printing and handling costs). Write to the author in care of HUMAN EVENTS.

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Some educational institutions and foundations, otherwise tax-exempt, may lose such exemption if they participate in political campaigns on behalf of specific candidates. Such organizations may safely advocate, coincidentally with the election, their own principles, philosophies, or views on political issues; but this particular regulation — limited as it is — is *not applicable* to any profit-making corporations or nonprofit business leagues, as most trade associations are described in the Internal Revenue Code.

Conclusion: business associations and corporations may engage in political activities without worrying about adverse tax rulings. Political action may not, of course, be the sole reason for existence. The same conclusion is equally applicable to the *deductibility of membership dues and contributions as a business expense* by association members.

III. "*Our Members Are Not Interested*"

"I have told these . . . things . . . to business organizations and groups of business people," states a Member of the House of Representatives. "Everyone is interested and they shake their heads in agreement, but unfortunately, to this day I find them so self-satisfied in their own selfish affairs they do nothing about it."

The responsibility for this apparent lack of interest has been "laid squarely at the door of the men who 'run' the thousands of business organizations."

"Businessmen in general," says Congressman Ralph W. Gwinn (R.-N.Y.), "think a job is being done, but by whom? They don't know the simplest facts regarding the legislative situation . . . are completely unaware of the progress that has been made by the labor leaders in taking over the Congress and the Government . . . They don't know that business isn't even trying to meet this threat.

"The business associations of this country are simply not telling their members and the public generally the truth. The average businessman is 'milk-fed' by the representatives of business in Washington . . . men who work for business in the Nation's Capital must, I suppose, justify being in business themselves — but what a disservice they are rendering business by keeping their members and clients out of politics!"*

THE STORY behind Congressman Gwinn's attitude runs as follows: For some time he has been writing businessmen that, because labor leaders dominate Congress, labor legislation "hasn't a ghost of a chance" this year, and that business organizations, *as organizations,* must back up their legislative demands with effective *political* action.

The *NAM News* for February 28 published an "interview" based on such a letter which (1) ignores the hopeless prospects for labor legislation, and (2) omits all suggestions that political action should be undertaken by business associations.

Here is some of Congressman Gwinn's letter that the *NAM News* did not print:

"Business already has thousands of organizations . . . the only ones having adequate organizations. They avoid politics. If these organizations continue to rely on resolutions (as to what SOMEBODY ELSE should do), 'educational programs,' publicity, going through the motions of lobbying, conventions, Washington representations of all sorts, letter-writing campaigns to the few remaining members of Congress who agree with them, or to the many members of Congress who will never agree, we might as well resign ourselves to living under a Labor Government for a long time.

"If only a small portion of the money *now being spent by and for* the many thousands of business and industrial associations could be spent precisely as the unions spend theirs, in preparing and distributing political action material and political 'knowhow,' we might see the dawning of a new day. Business associations must stop looking for excuses to stay out of politics."

In the March 14 *Washington Report* of the US Chamber of Commerce there appear about 150 words from the Gwinn letter, setting the stage for 12 full pages describing how "Business Leadership Is Mobilizing on Big Legislative Issues." But political action in support of these issues is not mentioned. Chamber members are being called upon for *legislative action* in support of lost causes without being told just how "lost" they are.

Send a copy of this important article to every officer and director — if possible to every member — of all the trade associations to which you belong.

Mr. Gwinn protested, and was told: "We are a voluntary federation of local and state chambers of commerce and trades and professional associations . . . we didn't and couldn't ask the business organizations to get into politics. . . ."

Several state and local associations and chambers of commerce, receiving such letters directly from Mr. Gwinn, have reprinted and distributed them. The Associated Industries of Alabama emphasized, by underlining, the passages the NAM omitted. State and local associations, however, do not maintain Washington offices and normally depend upon the same sources for information as does business generally.

Conclusion: the two largest national business associations have not, on this occasion at least, told their members the whole truth about the Washington legislative and political situation. If their members did know the truth, they would be frightened and angry — and patriotic enough to demand that their business associations, *as organizations*, provide the leadership for political action.

IV. "*What's the Use?*"

"One of the greatest hurdles . . . is to be really certain that their candidates perform after election. Our experience has been exceptionally bad in this respect . . . it could well be that they feel their chances for re-election are increased by voting for legislation sponsored by unions." So says a state trade-association executive.

"In the labor unions," a prominent lawyer observes, "practically absolute power is vested in the hands of a few men. They can do what they please. . . . That is not true with employer organizations and businessmen in general. They must explain in detail. This may be just enough to defeat the purpose they seek to achieve."

These comments illustrate the crying need for leadership. Trade associations, chambers of commerce, employer groups, *etc.*, are spending millions to impress their members with the need for political action — but always as *individuals* — never as a part of an organized effort to win political victories and to follow them up. Individual businessmen try but fail, become discouraged and bored.

* This quotation and others to be found throughout are taken principally from a speech entitled THE STATE OF THE UNIONS — NOW, by Mr. Gwinn; others are from various public statements by Mr. Gwinn.

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Business thought it won in 1952, only to find that the Eisenhower Administration merely makes socialism respectable. Business has never functioned without an organization and leaders. Political success is not achieved by mobs, and the businessman knows it.

Conclusion: business discouragement and hopelessness traces right back to the failure of business associations to provide leadership for political action — to match, and outdo, the high-powered political program of the unions. Individual businessmen cannot, in all fairness, be criticized, since they depend on what they are told by the national associations and other Washington business representatives. Conservative members of Congress regard the failure of business associations to "confess legislative and political impotence" as "the biggest obstacle to effective political action."

V. *Fear*

Finally, some businessmen are simply afraid to get into politics. ". . . from my own knowledge of goons, featherheads and subversives, any businessman who is so unwise as to start a war-chest should have his head examined," says a construction engineer. ". . . if business were to assert itself for its own protection against many of labor's encroachments, it would have to fight many of the subversive elements who have made labor the beneficiary."

This fear is just one more reason why individual businessmen cannot be expected to take on organized labor. Only existing business associations are strong enough to do so. Some may even increase memberships by taking a "fighting position." There is, of course, some danger of physical harm, but this will increase rather than diminish if much more time goes by without effective counteraction.

* * *

What can the individual businessman do? The men who run business organizations, chambers of commerce, trade associations, *etc.,* will do the job only if the members demand it. You are paying for it — see to it that your money is used to do what you want done.

Here's a check list of "do's" and "don'ts":

DO: *Start at home.* Talk to the top executives of local associations, employer organizations, chambers of commerce, *etc.,* to which you belong. Tell them you want a political action program NOW. This means organizing for doorbell ringing, telephone brigades, solicitation of political contributions, getting conservatives registered to vote when the time comes, giving candidates an opportunity to be heard by the members. Offer to help — once you are convinced an effective program has been planned.

How To Win, a booklet published by COPE, is packed with practical suggestions. It's for sale. See that it is used.

- *Get political "educational" material.* National and state associations, employer organizations, and chambers of commerce can produce it. Local associations cannot do what you want without it. Voting records of members of Congress, accurate descriptions of the issues, outlines of speeches — as well as sample radio scripts and transcriptions based on such information — should be made available.

Voting records should be compared with the known positions of business. Whom do your state and Federal legislators really represent? Who paid for their campaigns? What are the real effects of union political action? All such facts — although generally little known — are a matter of public record.

National union headquarters provide a constant supply of this kind of material for their local groups. Your national and state organizations should do the same.

- *Make them get together.* The job is too big for each association to promote or promise something "just a little different" to justify the crying need for that particular organization as distinguished from all others. Suggest informal political action committees — including national, state and local representatives of all business associations.

DON'T: *Rush out and start another organization,* unless you are convinced that none of those to which you now belong won't do what you want.

- *Don't give any more money,* unless you are convinced that an effective political action program is under way. Perhaps some other activities can be curtailed or postponed.

- *Don't be stopped by talk of "legal" barriers,* or tax consequences. They don't really exist. Everything you want your business association to do has been done for more than ten years by the unions out of general funds.

- *Don't get discouraged.* The genius of American business is its ability to organize and lick *any* problem. The associations, with trained, professional staffs, are all ready to go to work *now* — if you demand it.

- *Don't be afraid.* What businessmen are getting today is a "pink tea" compared to what will happen if all the elements allied with labor and supported by its political power really take over — and they will, if your business organizations fail you now. The words of Donald R. Richberg, in his *Labor Union Monopoly,* are a timely warning: ". . . labor's economic monopoly and political power are preparing the way for communism far more effectively than the Communists themselves."

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